

MINUTES
Nantucket Land Bank Commission
Regular Meeting of September 26, 2017
Land Bank Meeting Room, 22 Broad Street
Nantucket, Massachusetts

CALL TO ORDER: 3:00 p.m.

PRESENT: Kristina Jelleme, Richard Glidden, Neil Paterson, Allen Reinhard.

ABSENT: John Stackpole.

STAFF PRESENT: Jesse Bell, Assistant Director; Susan Campese, Administrator/Finance Manager; Marian Wilson, Assistant Administrator; Rachael Freeman, Environmental Coordinator; Robert Earley, Property Manager.

Property Manager, Robert Earley; Nantucket Pond Coalition Director, Robert Williams; Miacomet Golf Director of Agronomy, Sean Oberly and The Inquirer & Mirror staff reporter, Peter Sutters were also present at call to order.

I. CONVENE IN OPEN SESSION:

A. CITIZEN BUSINESS/ANNOUNCEMENTS: Mr. Williams thanked the Commission for their continued support of the Pond Coalition and the invasive aquatic plant eradication pilot program. He requested the Commission's permission to move forward with additional efforts focused on further eradication of *Phragmites* from Miacomet Pond and Consue Springs next year. Upon a motion made by Commissioner Reinhard and duly seconded by Commissioner Glidden, it was unanimously VOTED to support the Pond Coalitions efforts.

Auditors from O'Connor and Drew, P.C., Kevin Carnes and Lisa DiGiusto entered the meeting at 3:05 p.m.

B. PROPERTY MANAGEMENT:

1. Property Equipment – Purchase Request: Mr. Earley presented a quote for a new tractor and 72 inch mowing attachment to replace the old tractor which is in need of repairs and only has a 60 inch mower. Mr. Earley said the tractor was used primarily for longer trails. Upon a motion made by Commissioner Reinhard and duly seconded by Commissioner Glidden, it was unanimously VOTED to purchase the John Deere 3033R with 72 inch deck for the state contract price of \$31,091.33.

Mr. Earley and Mr. Williams departed the meeting at 3:10 p.m.

C. TRANSFER BUSINESS:

1. Transfer Updates:

a. Five-Year Domicile and Ownership Compliance – Release of Liens: Upon a motion made and duly seconded, it was unanimously VOTED to execute and authorize the issuance of a Release of Liens for the following transfers as a result of the purchasers fulfilling all of the requirements of Section 12, subsection (-m-):

No. 32977 Kevin Korn and Margret Korn
No. 32996 Jeana Smiley, Victor Hadley and Dorothy Hadley

b. Four-Year Ownership Non-Compliance/Request for Waiver – No. 35846
Marjan Shirzad: Ms. Campese explained that Ms. Shirzad had purchased her home located at 1 Field Avenue on December 5, 2014. Subsequently, her position at the Nantucket Historical Association was eliminated which has forced her to seek employment off island. Therefore, she requested a waiver of penalty and interest as she needs to sell the property in advance of fulfilling the five-year ownership requirement for the “M” exemption. Due to these extenuating circumstances, Ms. Campese recommended that the Commission waive the penalty and accrued interest, and require only payment of the Land Bank fee. Upon a motion made by Commissioner Glidden and duly seconded by Commissioner Paterson, it was unanimously VOTED to waive the penalty and accrued interest and to provide a release of lien to Ms. Shirzad or her representative upon payment of the \$8,000 fee.

Miacomet Golf General Manager, Alan Costa and Golf Controller, Walter Lankau entered the meeting at 3:15 p.m.

D. GOLF BUSINESS:

1. Sconset Golf Course (“SGC”) – Manager's Monthly Report: The Commission reviewed the balance sheet and profit and loss comparison summary through August 2017, which was previously provided by email. Mr. Oberly stated they would try to keep the course open until the end of October provided the demand was there. He reported that Links magazine had named SGC as one of the top ten old courses you can play in the country.

2. Miacomet Golf Course (“MGC”) – Manager’s Monthly Review: The Commission reviewed the balance sheet and profit and loss comparison through August 31, 2017 as well as the departmental profit and loss summary prepared by Ms. Campese. Mr. Lankau stated that operations were within the expected range of the annual budget up until the kitchen fire occurred at the clubhouse on August 21st. Mr. Costa stated that loss of dining facilities was also negatively impacting golf revenues. He took current figures and extrapolated them over the next year, stating that he expected to lose significant income even during the summer months if there were no dining facilities. Commissioner Jelleme pointed out that the data cited by Mr. Costa covered a number of days where the course was closed due to Tropical Storm Jose, and therefore may not be an accurate forecast for future loss of business.

3. Insurance – Update: Ms. Bell explained that AIG’s insurance adjuster was delayed from finishing his investigation due to the travel challenges associated with Tropical Storm Jose.

Furthermore, Mr. Costa relayed that according to AIG, the cause of the fire was a pinched electrical cord between an appliance and the wall. Ms. Bell reported that Dane DeCarlo had begun the permitting process for the Miacomet Clubhouse demolition.

4. Temporary Facilities Planning Discussion: Mr. Costa reiterated the benefits of having a temporary kitchen and an additional modular unit for a dining room. Ms. Bell stated that a Request for Proposals was required for the leasing of the temporary structures. The consensus of the Commission was to wait for more information from insurance, as well as get further down the road with clubhouse planning, in order to make a better decision on what was needed in terms of temporary facilities. Commissioner Jelleme suggested that Mr. Costa explore other creative options for providing short-term food and beverage service at MGC that did not involve the modular building units, to give the Commission a range of ideas to discuss and consider.

5. Legends Tournament Event – Video: Mr. Costa played a video slideshow of the Miacomet Golf staff preparations in the Cart Barn which was used as event space for the LPGA tournament dinner to benefit the Nantucket Cottage Hospital.

6. Golf Capital Committee Meeting: The next meeting was set for 4:00 p.m. on Tuesday October 3, 2017 in the Land Bank Conference room.

7. Warrant Authorization – Golf Capital Fund transfer Request: Mr. Lankau requested an authorization for the transfer of funds from the golf capital fund in order to pay for leased equipment and new computer equipment. Upon a motion made by Commissioner Glidden and duly seconded by Commissioner Jelleme, it was unanimously VOTED to execute the September 26, 2017 warrant document in the amount of \$14,891.00 to be provided to the county treasurer.

Mr. Costa, Mr. Lankau, and Mr. Oberly departed the meeting at 4:00 p.m.

D. FINANCIAL BUSINESS:

1. Fiscal Year 2017 Audited Financial Statements: Mr. Carnes and Ms. DiGiusto presented the Fiscal Year 2017 audited financial statements prepared by O'Connor & Drew, P.C. Upon a motion made by Commissioner Glidden and duly seconded by Commissioner Jelleme, it was unanimously VOTED to accept and approve the Fiscal Year 2017 audited financial statements. Mr. Carnes presented a spreadsheet showing the net profit or loss of MGC and SGC over the past five fiscal years with adjustments made for depreciation, capital expenditures and lease payments to clarify the cash position. Further, he explained that the depreciation expense created a loss and although the timeline in which capital items could be expensed was arbitrary, it should be considered a real expense. Additionally, he explained that while some of the depreciation could be segregated out and not considered a “real expense” since it was based on land improvements that would never need to be replaced, the remaining portion of the depreciation should be included since it was a way to expense assets that would need replacement in the future. Mr. Carnes conveyed some required communications to the Commission that were shown in detail in a packet he presented for their review. The Commission thanked Mr. Carnes for coming and answering their

questions on financial management.

Mr. Carnes and Ms. DiGiusto departed the meeting at 4:30 p.m.

2. Fiscal Year 2017 Financial Summary: Ms. Campese presented a staff-prepared Land Bank financial summary, which also included Miacomet Golf operations, based on the Fiscal Year 2017 audited financial statements. Upon a motion made by Commissioner Jelleme and duly seconded by Commissioner Glidden, it was unanimously VOTED to accept and approve the staff-prepared financial summary for inclusion in the Land Bank's 2017 Annual Report.

3. Monthly Financial Report: The Commission accepted the August 2017 financial report including the balance sheet and income statement previously provided by electronic correspondence.

4. Warrant Authorization – Cash Disbursements: Upon a motion made by Commissioner Jelleme and duly seconded by Commissioner Glidden, it was unanimously VOTED to execute the September 26, 2017 warrant document in the amount of \$17,543.54 to be provided to the county treasurer.

E. APPROVAL OF MINUTES: Upon a motion made by Commissioner Glidden and duly seconded by Commissioner Reinhard, it was unanimously VOTED to accept, approve and release the regular session minutes of September 12, 2017 and September 16, 2017.

II. EXECUTIVE SESSION: Upon a motion made by Commissioner Reinhard and duly seconded by Commissioner Glidden, it was unanimously VOTED to go into executive session in order to discuss the purchase, exchange, lease or value of real property and review executive session minutes. A roll call vote was taken: Reinhard-Aye, Paterson-Aye, Glidden-Aye, Jelleme-Aye. The Chairman under Purpose 6 [G.L. c. 30A, 21(a)(6)] declared that discussion of these matters in open session may be detrimental to the Land Bank's negotiating position and that the Commission would not reconvene in regular session at the conclusion of executive session.

ADJOURNMENT: Upon a motion made and duly seconded, it was unanimously VOTED to adjourn at 5:00 p.m.

Attested to: _____
Richard J. Glidden, Secretary

Accepted, Approved, and Released by the VOTE
of the Commission this 10th day of October, 2017.

Neil Paterson, Chairman